



City of NORFOLK

C: Dir., Department of Utilities

To the Honorable Council
City of Norfolk, Virginia

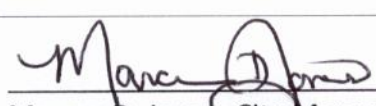
July 12, 2016

From: Kristen M. Lentz, P.E., Director of Utilities

Subject: Conveyance of property
located off Godwin Boulevard in the
City of Suffolk

Reviewed: 
Ronald H. Williams, Jr., Deputy City Manager

Ward/Superward: N/A

Approved: 
Marcus D. Jones, City Manager

Item Number:

PH-1

- I. **Recommendation:** Adopt Ordinance
- II. **Applicant:** City of Norfolk Department of Utilities
- III. **Description:**
This agenda item is an ordinance authorizing the sale of a three thousand square foot parcel of property (the "property") owned by the City of Norfolk (the "City") to Virginia Natural Gas ("VNG"). The property is located off Godwin Boulevard south of 3488 Godwin Boulevard in Suffolk, Virginia.
- IV. **Analysis**
The purchase of this property will allow VNG to upgrade and expand its gate station at this location as it owns the adjacent parcel. The property is located outside of the watershed and the conveyance will not impact the water quality of the City's drinking water reservoir. The property is not needed by the City for any of its municipal purposes.
- V. **Financial Impact**
The property is proposed to be conveyed to Virginia Natural Gas for \$2,400.
- VI. **Environmental**
There is no environmental impact associated with this matter.
- VII. **Community Outreach/Notification**
Public notification for this agenda item was conducted through the City's agenda notification process.

VIII. Board/Commission Action

N/A

IX. Coordination/Outreach

This letter has been coordinated with the Department of Utilities and the City Attorney's Office.

Supporting Material from the City Attorney's Office:

- Ordinance
- Purchase and Sale Agreement

Form and Correctness Approved:

By Nathaniel Seaman
Office of the City Attorney

Contents Approved:

By Kyle M. Lay
DEPT. Utilities

NORFOLK, VIRGINIA

ORDINANCE No.

AN ORDINANCE AUTHORIZING THE SALE TO VIRGINIA NATURAL GAS OF A CERTAIN PARCEL OF PROPERTY MEASURING APPROXIMATELY 3,000 SQUARE FEET IN AREA, OWNED BY THE CITY OF NORFOLK AND LOCATED SOUTH OF 3488 GODWIN BOULEVARD IN THE CITY OF SUFFOLK, FOR THE SUM OF \$2,400.00, AND APPROVING THE PURCHASE AND SALE AGREEMENT.

- - -

WHEREAS, the City of Norfolk owns certain property located in the City of Suffolk south of 3488 Godwin Boulevard; and

WHEREAS, Virginia Natural Gas has offered to purchase a portion of the said property, measuring approximately 3,000 square feet in area, such portion being described in Exhibit A and shown on Exhibit B, attached hereto, from the City of Norfolk for the sum of \$2,400.00; and

WHEREAS, Section 2(5) of the Norfolk City Charter grants the City of Norfolk the power to sell any of its property, whether located within or without the city; and

WHEREAS, it is the judgment of the Council that the property described in Exhibit A and shown on Exhibit B is not needed by the City of Norfolk for any of its municipal purposes and should be sold to Virginia Natural Gas, now therefore,

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That the sale to Virginia Natural Gas of that certain parcel of property located south of 3488 Godwin Boulevard in the City of Suffolk, measuring approximately 3,000 square feet in area, described in Exhibit A and shown on Exhibit B, for the sum of \$2,400.00, is hereby authorized and the Purchase and Sale Agreement, a copy of which is attached as Exhibit C, is hereby approved.

Section 2:- That upon receipt of the sum of \$2,400.00 and the satisfaction of all terms and conditions set forth in the Purchase and Sale Agreement, the City Manager is authorized to deliver a deed conveying the said property to Virginia Natural Gas, with Special Warranty of Title, in form satisfactory to the City Attorney, and the City Manager is further authorized to do all things necessary and proper to carry out the terms of the Purchase and Sale Agreement.

Section 3:- That the City Manager, with the advice and counsel of the City Attorney, may correct, revise or amend the Purchase and Sale Agreement as he may deem advisable, consistent with the intent of the Council as expressed herein.

Section 4:- That this ordinance shall be in effect from and after thirty (30) days from the date of its adoption.

EXHIBIT A TO ORDINANCE

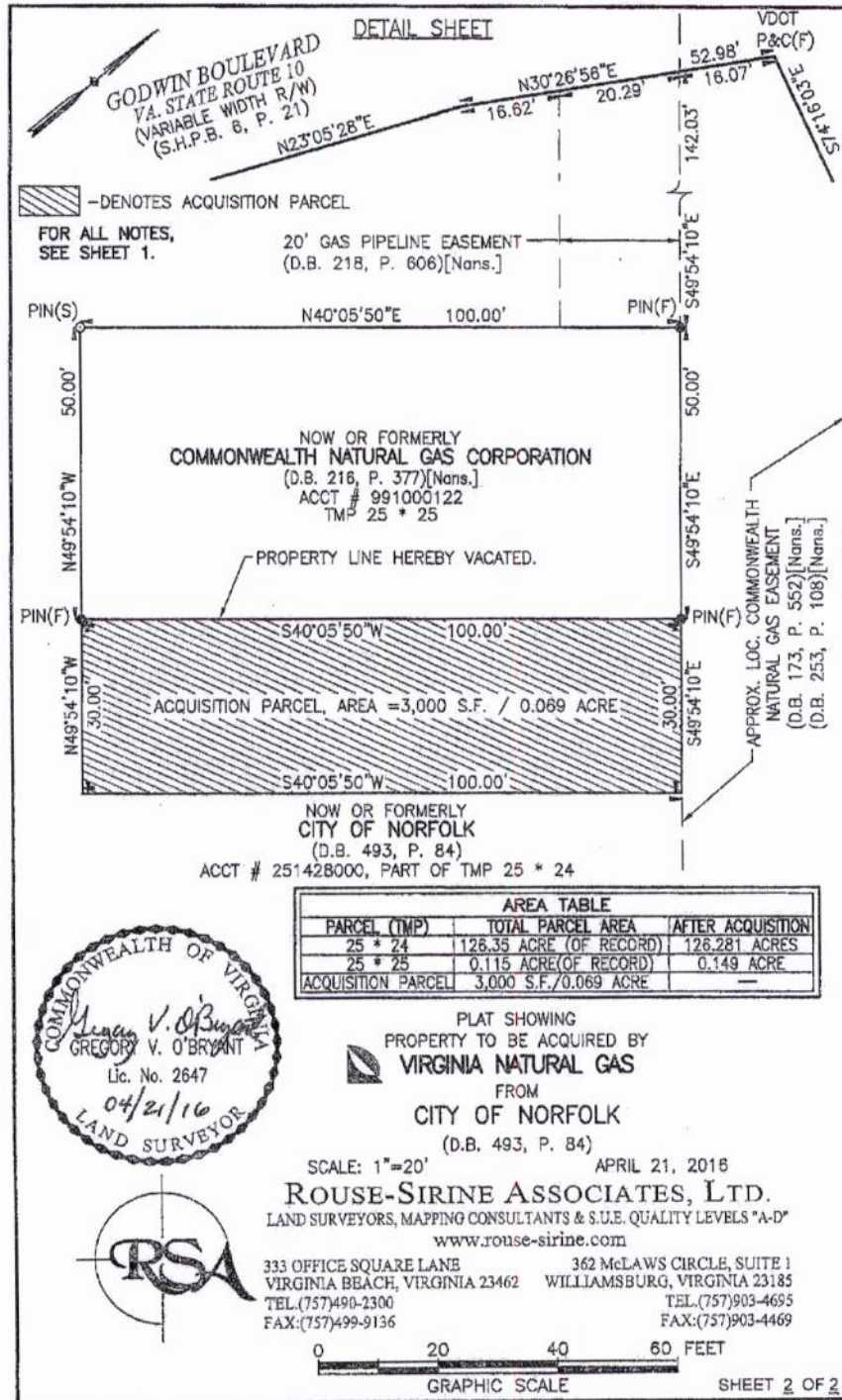
**City of Norfolk Parcel located in Suffolk, Virginia
To Be Acquired by Virginia Natural Gas**

A rectangular-shaped lot, piece or parcel of land situate, lying and being in the City of Suffolk, Virginia, said parcel being further described as follows: COMMENCING at a point located at the northeastern corner of the Commonwealth Natural Gas Corporation property; thence, running in a southeasterly direction along a bearing of S49°54'10"E, 50.00 feet to a point; said point being the Point Of Beginning and being the northeastern corner of the City of Norfolk parcel duly recorded in the Clerk's Office of the Circuit Court of the City of Suffolk, Virginia in Deed Book 493, at Page 84; thence, continuing along a bearing of S49°54'10"E, 30.00 feet to a point; thence, along a bearing of S40°05'50"W, 100.00 feet to a point; thence, along a bearing of N49°54'10"W, 30.00 feet to a point; thence, along a bearing of N40°05'50"E, 100.00 feet to the Point Of Beginning, all as shown on that certain plat entitled "Plat Showing Property To Be Acquired By Virginia Natural Gas From City Of Norfolk" dated April 21, 2016.

The above-described parcel contains 0.069 acre of land, more or less.

June 10, 2016

EXHIBIT B TO ORDINANCE



J.O. #13243-28 ACAD:13243-28-ACQUISITION PLAT.dwg

P.S. 777, P. 62-63

EXHIBIT C TO ORDINANCE

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made as of this ____ day of June, 2016, by and between the **CITY OF NORFOLK** ("City"), a municipal corporation of the Commonwealth of Virginia ("City"), and **VIRGINIA NATURAL GAS** ("VNG"), a Virginia public service corporation.

RECITALS

A. City is the owner in fee simple of a certain parcel of real property, together with all improvements thereon and all rights and appurtenances thereunto pertaining, located in the City of Suffolk, Virginia, the said parcel measuring approximately 3,000 square feet or 0.069 acre in size, and being further shown and described as "Acquisition Parcel Area – 3,000 S.F./0.069 Acre," on Sheet 2 of 2 of a certain plat dated April 21, 2016, prepared by Rouse-Sirine Associates, Ltd., entitled, "Plat Showing Property To Be Acquired By Virginia Natural Gas From City of Norfolk (D.B. 493, P.84)," a copy of which is attached hereto as Exhibit A and by this reference made a part hereof (the "Property").

B. VNG desires to purchase and City agrees to sell the Property in accordance with the terms and conditions of this Agreement.

C. These recitals are incorporated by this reference into this Agreement.

NOW, THEREFORE, in consideration of the Purchase Price and the mutual promises contained in this Agreement, the parties agree as follows:

1. SALE. City agrees to sell and VNG agrees to purchase the Property, together with all improvements thereon and all easements, rights, and appurtenances thereto.

2. PURCHASE PRICE. The purchase price (the "Purchase Price") for the Property is **Two Thousand Four Hundred and 00/100 Dollars (\$2,400.00)**, and the Purchase Price will be paid in the form of a certified check or by wire transfer of funds at closing.

3. CLOSING.

(a) Closing will be made at the offices of the Norfolk City Attorney in Norfolk, Virginia 23510, or such other location as the parties may agree, on or before that date that is the earlier of (i) ten (10) business days following receipt by City of written notification from VNG that VNG has elected to proceed to closing, or (ii) thirty (30) days following VNG's receipt of the Approvals, as hereinafter defined (the "Closing Date"), but in no event shall the Closing Date be sooner than ten (10) business days from the date this Agreement has been fully executed by all parties (the "Effective Date"). Notwithstanding any provision of this Agreement to the contrary, (1) if closing has not occurred on or before October 1, 2017 (the "Outside Closing Date") through no fault of City, City and VNG shall each have the right, but not the obligation, to terminate this Agreement by giving written notice thereof to the other, in which event, the parties hereto shall have no further rights or obligations under this Agreement; (2) if VNG obtains all of the Approvals

prior to the Closing Date or prior to the Outside Closing Date, as applicable, VNG shall use commercially reasonable efforts to close on the purchase of the Property as soon as reasonably possible thereafter; and (3) if City exercises its right in (1) to terminate this Agreement, VNG shall have the right to require City to rescind such termination, if within thirty (30) days after receipt by VNG of City's termination notice, VNG advises City in writing that VNG will nevertheless close on the purchase of the Property, in which event VNG shall use commercially reasonable efforts to close on or before thirty (30) days following City's receipt of VNG's notice that it will close on the purchase of the Property, provided that VNG's obligation to close shall remain subject to all other terms, covenants, conditions and agreements set forth in this Agreement. For the purposes of this Agreement, City and VNG agree that all references therein to the Closing Date shall mean and include the Outside Closing Date, if applicable.

(b) In addition to the conditions set forth in Section 6 below and elsewhere in this Agreement, City and VNG expressly acknowledge and agree that the obligation of VNG under this Agreement to close on the purchase of the Property from City is subject to the satisfaction, as of the Closing Date, of each of the following conditions precedent:

i. City is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986, and City shall have executed and delivered to Buyer an affidavit to this effect complying with the provisions of Section 1445 of the Internal Revenue Code of 1986;

ii. City shall have timely and properly performed and observed, in all respects, all covenants and agreements set forth in this Agreement to be performed and observed by City as of the Closing Date and City's representations and warranties contained in this Agreement are true and correct on the date when made and on the Closing Date as if made on and as of the Closing Date;

iii. As of the Closing Date, there shall have been no actual or threatened adverse change in the physical condition of the Property, including, but not limited to, any loss or damage to the Property or any improvements or fixtures located thereon by fire or other casualty or by City's failure to properly maintain and repair the Property or any part thereof, or by eminent domain or deed in lieu thereof;

iv. All Approvals (including, but not limited to, the City Council Approval, as hereinafter defined) shall be and remain in full force and effect as of the Closing Date and shall not have been modified or amended without VNG's prior written consent, in its sole discretion; and

v. City shall have prepared and executed and delivered the following to VNG: (1) the Deed (as hereinafter defined), in form and substance satisfactory to VNG, in its sole discretion; (2) a Form 1099, Form W-9, and Form R-5 from the Virginia Department of Taxation, and any other tax forms executed as are customary in real estate closings in Virginia; and (3) such documents, agreements, affidavits and instruments, (including, but not limited to, an affidavit as to mechanics' liens and possession) as shall be reasonably required by VNG or by VNG's title insurer as conditions to its issuance of an owner's title insurance policy acceptable to VNG, in its

sole discretion, as long as the production of any such documents does not require any monetary expenditure by the City.

4. CONVEYANCE.

(a) At closing, City shall convey good and marketable fee simple title to the Property, in its "AS IS" condition, to VNG by special warranty deed (the "Deed"), free and clear of all encumbrances, restrictions, easements, conditions, agreements, tenancies, liens (for taxes or otherwise) and other matters of survey or title, except as may otherwise be provided in this Agreement.

(b) The parties acknowledge that the City's obligation to convey the Property is subject to the approval of Norfolk City Council, after a public hearing, in the form of a duly adopted "30 day" ordinance (the "City Council Approval").

(c) Title. VNG shall have the right to obtain a commitment (the "Title Commitment") for issuance of an ALTA Owner's Policy of Title Insurance (the "Title Policy"), on which City shall be entitled to rely, at its sole risk and without any warranty or representation whatsoever by or from VNG as to accuracy or any other matter, as to City's interest in the Property. In the event that the Title Commitment discloses defects of title or other matters unsatisfactory to VNG, in its sole discretion, VNG may notify City in writing (an "Objection Notice"), within sixty (60) days after the Effective Date, of such title defects or other matters to which VNG objects. City covenants that it shall, at its cost and expense, cure all non-monetary title objections which may be cured by execution of a document requiring the signature of no party other than City (including any affidavits which may reasonably be required by VNG or its title insurer). City may notify VNG in writing (an "Objection Response"), within ten (10) business days after receiving an Objection Notice if it believes that the Objection Notice makes reference to any title defect or other matter that City cannot or elects not to cure (other than non-monetary title objections that may be cured by execution of a document requiring the signature of no party other than City). Upon receipt of an Objection Response from City, VNG shall have the option either to (i) terminate this Agreement by notice to City given within ten (10) business days after receipt of the Objection Response or (ii) accept the defects, exceptions or other matters referenced in such Objection Response and proceed to closing hereunder with no reduction of the Purchase Price, or (iii) to extend the Closing Date to provide City with additional time to cure all such defects, exceptions and other matters. City shall have the period until the Closing Date within which to correct all defects, exceptions or other matters that it is required or elects to cure, provided that City shall use its best efforts to cure all such defects, exceptions and other matters as quickly as possible.

(d) In the event this conveyance requires (i) a subdivision of the property of which the Property is a part and the recording of an approved subdivision plat under the Suffolk City Code or (ii) any other Approvals (as hereinafter defined), VNG shall be responsible, at its sole expense, for using its commercially reasonable efforts to obtain all such Approvals (with the exception of the City Council Approval to be obtained by the City) prior to closing. City agrees to execute all instruments and documents reasonably necessary to enable VNG to obtain all Approvals.

(e) City shall deliver exclusive possession of the Property to VNG at Closing, free and clear of all rights of tenants and other persons and entities to possession of the Property or any part thereof.

(f) City agrees to pay the costs and expenses of preparing the Deed and other documents and instruments required to be prepared or obtained by or on behalf of City under this Agreement. VNG will pay all other fees charged in connection with recordation of the Deed.

(g) The attorney or title company selected by VNG shall act as settlement agent at VNG's sole expense.

(h) Real estate taxes and assessments and utilities shall be prorated as of the Closing Date.

(i) VNG and City expressly acknowledge and agree that VNG's receipt of all final, non-appealable Approvals, acceptable to VNG, in its sole discretion, is a condition precedent to VNG's obligation to proceed to closing hereunder and that VNG shall have the right to terminate this Agreement in the event VNG is unable to obtain all such final, unappealable Approvals on or before by the Outside Closing Date.

(j) Upon execution of this Agreement by City and VNG, VNG shall have the right to commence efforts to obtain, at VNG's sole cost and expense, all approvals and permits from local, state and federal entities (collectively, the "Approvals") necessary or desirable, in VNG's sole discretion, for VNG's contemplated use and occupancy of the Property, including, but not limited to, any subdivision, site plan and/or boundary line adjustment approvals, the City Council Approval and the approvals described in subsections (d) and (i) above, subject only to such conditions and matters as are acceptable to VNG, in its sole discretion. City agrees to cooperate with VNG to the extent reasonably necessary for VNG to obtain the Approvals from the appropriate governmental authorities, and, in connection therewith, City agrees, promptly after request therefor, to execute such applications and other documents as may be requested by VNG and/or the appropriate governmental authorities in connection with obtaining the Approvals, but any such cooperation shall not entail any monetary expenditure by the City. In the event VNG, despite commercially reasonable efforts, is unable to obtain the Approvals by the Outside Closing Date, VNG shall have the right to terminate this Agreement, in which case the parties shall have no further rights or obligations whatsoever under this Agreement.

5. RIGHT OF ENTRY. VNG and VNG's authorized representatives may, at any reasonable time and after giving reasonable notice to City, enter upon the Property for the purpose of making inspections, appraisals, surveys, including, but not limited to, the cutting of survey lines and putting up markers and driving stubs and stakes, site analysis, engineering studies, core sampling for engineering reports, and locating existing rights of way, easements, and utilities. VNG will exercise this right of entry in such a way so as to not cause unreasonable damage to the Property. VNG agrees to indemnify and save harmless the City from all claims of liability for any bodily injury or property damage or otherwise to any person or property caused solely and directly by any action or omission of VNG or its agents before or after closing. This indemnity provision shall survive closing and shall not be merged in the Deed; provided, however, that VNG shall not

be responsible for and shall not be required to indemnify or hold harmless City for any pre-existing conditions which may be encountered by VNG or its agents, employees, representatives, contractors, successors or assigns, or for any injuries or damages caused or resulting from, in whole or in part, any act, omission, negligence or willful misconduct of City or any of its employees, agents, invitees, contractors, licensees, tenants, representatives, successors or assigns.

6. CONDITIONS. In addition to the satisfaction of other conditions contained in this Agreement, VNG's obligations are further expressly conditioned upon the satisfaction of each of the following conditions, in the sole determination of VNG. If any one of the following conditions cannot be met prior to the Closing Date, VNG may unilaterally terminate this Agreement or extend the Closing Date:

(a) Receipt of a satisfactory Title Commitment with all matters contained in the Objection Notice removed or cured;

(b) Receipt of a Phase I Environmental Assessment and Report (Phase I Report) conducted and prepared by an environmental engineering and inspection company selected by VNG at VNG's expense and such other studies, investigations, surveys, tests and reports as may be required or desired by VNG, in its sole discretion, all of which must be satisfactory to VNG, in its sole discretion;

(c) Receipt of a report satisfactory to VNG, in its sole discretion, of the results of testing of any underground or aboveground storage tanks located on the Property;

(d) Receipt of evidence satisfactory to VNG, in its sole discretion, that the Property is properly zoned for VNG's intended use and that any and all required variances or special use permits have been or can be obtained.

(e) Receipt of the Approvals, all of which must be satisfactory to VNG, in its sole discretion;

(f) Proper and timely satisfaction by City, as determined by VNG, in its sole discretion, of all of City's obligations under this Agreement; and

(g) Receipt of soil and other studies required or desired by VNG, all of which must be satisfactory to VNG, in its sole discretion.

7. ENVIRONMENTAL AND RELATED MATTERS.

(a) Definitions. As used in this Agreement, the following terms will have the following meanings:

i. **Contamination** means any release of a Hazardous Substance; Petroleum Substance or Product; polychlorinated biphenyl (PCB); asbestos or asbestos containing material; radon gas; or other substance considered to be a contaminant by professionals in the field of environmental assessments under standard commercial practice;

ii. **Hazardous Substance** means those substances as defined by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §9601(14), and includes any material that is toxic, flammable, explosive, or corrosive as these terms are defined by CERCLA. Petroleum Substances or Products as defined below are excluded.

iii. **Petroleum Substance or Product** means any material containing refined or crude oil, or any fraction thereof, and includes natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas. Hazardous Substances as defined above are excluded.

iv. **Environmental Assessments** have the meanings understood by professionals in the field of environmental assessments, which may include, but shall not be limited to, screening the Property for existing or threatened Contamination and screening the Property for such other and further inquiries and examinations as are required or desired by VNG.

v. **Release** means occurrences as defined by CERCLA, 42 U.S.C. §9601(10), and includes any intentional or accidental discharging, spilling, leaking, pumping, pouring, injecting, escaping, leaching, dumping, disposing, or emitting into the environment.

(b) Environmental Assessments and Soil Studies.

i. VNG, at VNG's expense, may have soil studies and Environmental Assessments of the Property and any other studies, investigations, examinations, tests, surveys and reports performed by qualified consultants (the "Consultants") selected by VNG. A copy of the Environmental Assessments will be made available to City, together with copies of any supplemental reports or assessments.

ii. VNG and its agents, Consultants, representatives, employees, contractors, successors and assigns shall have the right to make such excavations, borings and drilling as may be reasonably necessary to perform such environmental assessments, soil studies and other tests, studies, analyses, investigations, surveys and examination.

8. REPRESENTATIONS AND WARRANTIES BY SELLER. City represents and warrants as of the date of this Agreement and as of the Closing Date that:

(a) City has the right, title, and authority to enter into this Agreement and to perform its obligations hereunder, subject to the provisions of Section 4(b) above;

(b) The entry and performance of this Agreement by City will not breach any other agreement with any other party or create a violation of any applicable law, rule, or regulation;

(c) To the best of the City's knowledge, the Property fully complies with all environmental and other federal, state, and local laws, regulations, rules and requirements. City has no knowledge or reason to believe that the Property does not fully comply with any such federal, state or local laws, regulations or requirements;

(d) City has no knowledge or reason to believe that any Hazardous Substance, Petroleum Substance or Product, asbestos, asbestos containing material, or PCBs are being or have, in the past, been manufactured, treated, stored, sold, or disposed on the Property or on property adjacent to the Property;

(e) City has no knowledge of or reason to believe there exists, or has in the past, existed on the Property or on property adjacent to the Property any soil, surface water, groundwater, or structural or other Contamination or threat of such Contamination;

(f) City has no knowledge of or reason to believe there exists, or has in the past, existed on property adjacent to the Property any Contamination of, or threat of Contamination to, soil, surface water, groundwater, or otherwise;

(g) City has no knowledge of or reason to believe there exists on the Property any environmental liens, restrictions, notifications, or conditions regarding the release, treatment, storage, or disposal of Hazardous Substances or Petroleum Products, and City has no knowledge of or reason to believe that any such liens, restrictions, notifications or conditions are or have been claimed or threatened relating to the Property;

(h) City has no knowledge of or reason to believe there exists, or has in the past, existed any notice, claim, or assertion by anyone that there are any underground storage tanks on the Property;

(i) City has no knowledge of or reason to believe that there exists, or has in the past, existed any administrative proceedings, litigation, or any notices, claims, or assertions of a violation of any environmental, health, or safety law or regulation affecting the Property; and

(j) There are no existing boundary, water or drainage disputes of which the City has any knowledge, or reason to believe currently exists.

(k) No leases or rights of possession of the Property or any part thereof to tenants or other persons or entities are in effect or will be in effect at Closing.

(l) City has no knowledge of or reason to believe that there are any graveyards, cemeteries or graves or artifacts of historical significance on the Property.

All of the representations, warranties and covenants of City contained in this Agreement or in any document delivered to VNG pursuant to the terms of this Agreement (i) shall be true and correct in all material respects as of the Closing Date, just as though the same were made at such time, and (ii) VNG's rights to enforce such representations, warranties and covenants shall survive any termination of this Agreement or the closing and shall not be merged into any documents delivered by City at closing. City shall inform VNG immediately if any of City's representations or warranties in this Agreement is or becomes untrue or inaccurate or misleading. VNG shall have the right to require City to execute a certificate at closing confirming the accuracy of the representations and warranties contained in this Agreement.

9. NOTICES. All notices to the parties hereto will be delivered by hand, via certified mail return receipt requested, or via facsimile and all be deemed effective upon delivery if by hand and upon confirmation of receipt if by other means, to the following address until the address is changed by notice in writing to the other party:

VNG: Virginia Natural Gas
544 S. Independence Boulevard
Virginia Beach, Virginia 23452
Attention: Dennis Devasia, Associate Engineer

With Copies to: Michael C. Partee, Esquire
Senior Environmental Counsel
1844 Ferry Road, Floor 7W
Naperville, Illinois 60563

Mary Jo Diana
Senior Land Management Agent
10 Peachtree Place
Atlanta, Georgia 30309

Neil S. Kessler, Esquire
Troutman Sanders LLP
1001 Haxall Point, 15th Floor
Richmond, Virginia 23219

City: City of Norfolk
Attn: Bernard Pishko, City Attorney
900 City Hall Building
Norfolk, Virginia 23510

10. PRORATIONS. All rents, interest, taxes, and insurance premiums, if any, will be prorated as of the Closing Date.

11. RISK OF LOSS. All risk of loss or damage to the Property by fire, windstorm, casualty, eminent domain or threat thereof or deed in lieu thereof or other cause is assumed by City until closing. In the event of any loss or damage to the Property before closing, VNG will have the option of either:

(a) Terminating this Agreement, or

(b) Affirming this Agreement and proceeding to closing.

12. BROKERAGE OR AGENT'S FEES. Each of the parties represents to the other that it has not retained or used the services of a broker, finder or agent in connection with this transaction and that no fees or commissions shall be payable to any brokers, agents or finders in connection with or related to this transaction (the "Commissions").

13. DEFAULT AND REMEDIES.

(a) If the sale and purchase contemplated by this Agreement is not consummated because of City's or VNG's default, the non-defaulting party may elect to:

- i. Terminate this Agreement;
- ii. Seek and obtain specific performance of this Agreement; or
- iii. Pursue all other rights or remedies available at law or in equity, including an action for damages.

(b) If either City or VNG defaults under this Agreement, the defaulting party will be liable for any expenses incurred by the non-defaulting party in connection with the enforcement of its rights under this Agreement.

(c) These remedies are cumulative and non-exclusive and may be pursued at the option of the non-defaulting party without a requirement of election of remedies.

14. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and will supersede the terms and conditions of all prior written and oral agreements, if any, concerning the matters it covers. The parties acknowledge there are no oral agreements, understandings, representations, or warranties that supplement or explain the terms and conditions contained in this Agreement. This Agreement may not be modified except by an agreement in writing signed by the parties.

15. WAIVER. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof will not be deemed a waiver of the term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or more times be deemed a waiver or relinquishment of the right or power at any other time or times.

16. SEVERABILITY. This Agreement will be construed in its entirety and will not be divisible, except that the invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision.

17. CAPTIONS. Captions are used in this Agreement for convenience only and will not be used to interpret this Agreement or any part of it.

18. GOVERNING LAW. This Agreement is to be construed in accordance with the laws of the Commonwealth of Virginia.

19. CHOICE OF FORUM/JURISDICTION. The parties hereby consent to the jurisdiction and venue of the courts of the Commonwealth of Virginia, specifically to the courts of the City of Norfolk, Virginia, and to the jurisdiction and venue of the United States District Court for the Eastern District of Virginia in connection with any action, suit, or proceeding arising

out of or relating to this Agreement and further waive and agree not to assert in any action, suit, or proceeding brought in the City of Norfolk, Virginia, or the Eastern District of Virginia that the parties are not personally subject to the jurisdiction of these courts, that the action, suit, or proceeding is brought in an inconvenient forum or that venue is improper.

20. WAIVER OF TRIAL BY JURY. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY RELATED AGREEMENTS OR INSTRUMENTS AND THE ENFORCEMENT THEREOF, INCLUDING ANY CLAIM OF INJURY OR DAMAGE TO ANY PARTY OR THE PROPERTY OF ANY PARTY.

21. SUCCESSOR/ASSIGNMENT. This Agreement will be binding upon and the obligations and benefits hereof will accrue to the parties hereto and their respective heirs, personal representatives, successors, and assigns. This Agreement shall not be assigned by VNG without City's written consent. If this Agreement is assigned by VNG with the City's written consent, VNG will nevertheless remain fully liable for its performance.

22. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each will be considered an original, and together they will constitute one Agreement.

23. FACSIMILE SIGNATURES. Facsimile signatures will be considered original signatures for the purpose of execution and enforcement of the rights delineated in this Agreement.

24. IRS REPORTING REQUIREMENTS. For the purpose of complying with any information reporting requirements or other rules and regulations of the Internal Revenue Service ("IRS") that are or may become applicable as a result of or in connection with the transaction contemplated by this Agreement including, but not limited to, any requirements set forth in proposed Income Tax Regulation Section 1.6045-4 and any final or successor version thereof (the "IRS Reporting Requirements"), City and VNG hereby designate and appoint VNG's title insurer to act as the "Reporting Person" (as that term is defined in the IRS Reporting Requirements) to be responsible for complying with any IRS Reporting Requirements. Without limiting the responsibility and obligations of VNG's title insurer as the Reporting Person, City and VNG hereby agree to comply with any provisions of the IRS Reporting Requirements that are not identified therein as the responsibility of the Reporting Person, including, but not limited to, the requirement that City and VNG each retain an original counterpart of this Agreement for at least four (4) years following the calendar year of the Closing.

WITNESS the following duly authorized signatures and seals:

(SIGNATURE PAGES TO FOLLOW)

CITY OF NORFOLK

By: _____
City Manager

ATTEST:

City Clerk

**COMMONWEALTH OF VIRGINIA
CITY OF NORFOLK, to-wit:**

I, _____, a Notary Public in and for the City of Norfolk, in the Commonwealth of Virginia, whose term of office expires on the ____ day of _____, 20__, do hereby certify that Marcus D. Jones, City Manager, and R. Breckenridge Daughtrey, City Clerk, respectively, of the City of Norfolk, whose names as such are signed to the foregoing Purchase and Sale Agreement, 2016, have acknowledged the same before me in my City and State aforesaid.

Given under my hand this _____ day of _____, 2016.

Notary Public
Registration No. _____

APPROVED AS TO CONTENTS:

Director, Department of Utilities

APPROVED AS FORM AND CORRECTNESS:

Deputy City Attorney

VIRGINIA NATURAL GAS

By: _____
Name (Printed): _____
Title: _____

STATE OF _____
CITY/COUNTY OF _____:

I, _____, a Notary Public in and for the City/County of _____, in the State of _____, whose term of office expires on _____, do hereby certify that _____, _____ (Title) of Virginia Natural Gas whose name is signed to the foregoing Purchase and Sale Agreement, has acknowledged the same before me in my City/County and State aforesaid. He/She is personally known to me or has produced a driver's license as identification.

Given under my hand this ____ day of _____, 2016.

Notary Public
Registration No. _____

EXHIBIT A

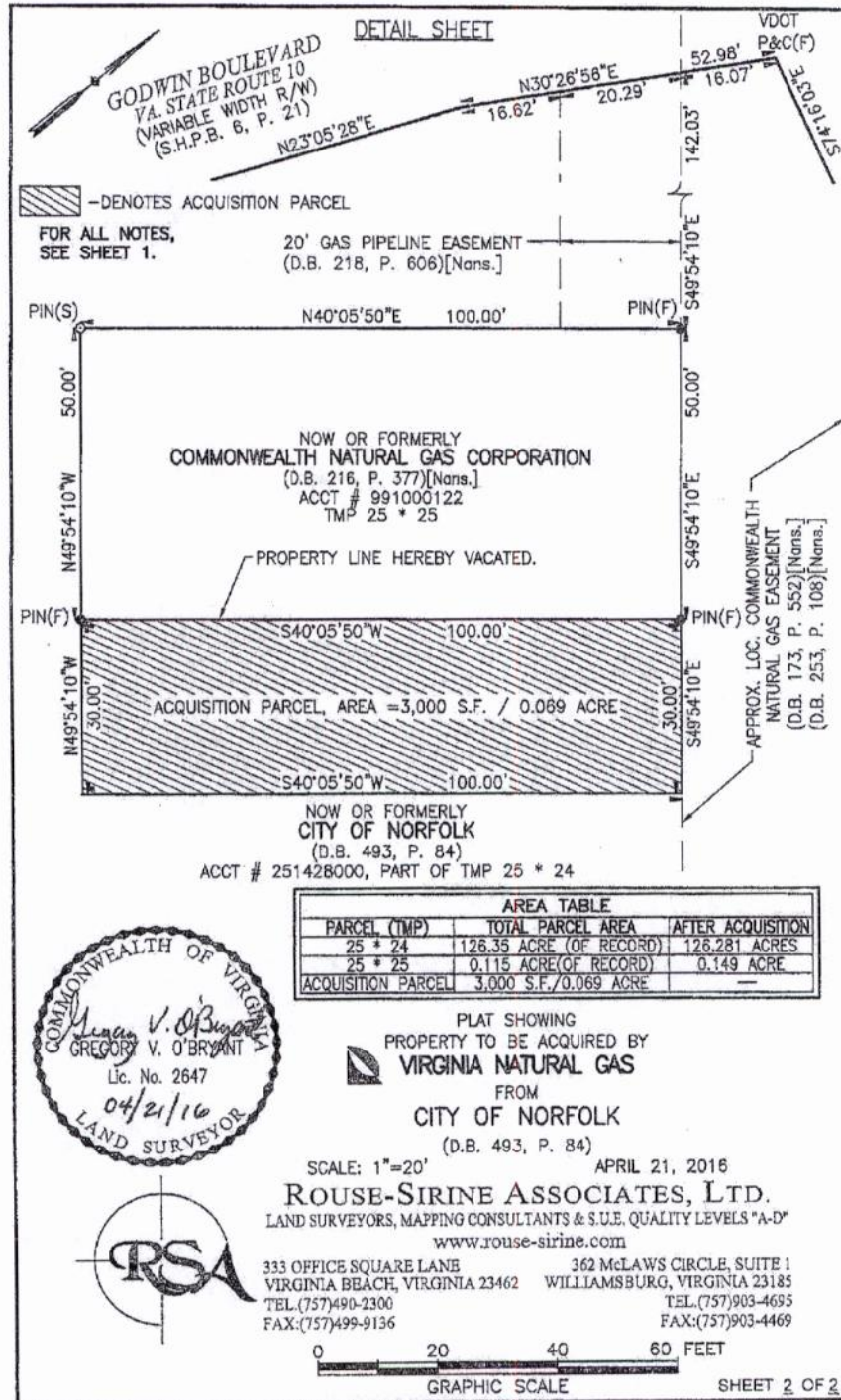
**City of Norfolk Parcel located in Suffolk, Virginia
To Be Acquired by Virginia Natural Gas**

A rectangular-shaped lot, piece or parcel of land situate, lying and being in the City of Suffolk, Virginia, said parcel being further described as follows: COMMENCING at a point located at the northeastern corner of the Commonwealth Natural Gas Corporation property; thence, running in a southeasterly direction along a bearing of S49°54'10"E, 50.00 feet to a point; said point being the Point Of Beginning and being the northeastern corner of the City of Norfolk parcel duly recorded in the Clerk's Office of the Circuit Court of the City of Suffolk, Virginia in Deed Book 493, at Page 84; thence, continuing along a bearing of S49°54'10"E, 30.00 feet to a point; thence, along a bearing of S40°05'50"W, 100.00 feet to a point; thence, along a bearing of N49°54'10"W, 30.00 feet to a point; thence, along a bearing of N40°05'50"E, 100.00 feet to the Point Of Beginning, all as shown on that certain plat entitled "Plat Showing Property To Be Acquired By Virginia Natural Gas From City Of Norfolk" dated April 21, 2016.

The above-described parcel contains 0.069 acre of land, more or less.

June 10, 2016

EXHIBIT B



J.O. #13243-28 ACAD:13243-28-ACQUISITION PLAT.dwg

P.S. 777, P. 62-63